

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MUSKET CORPORATION,

Plaintiff,

- against -

PDVSA PETROLEO, S.A., a/k/a PDVSA
PETROLEO Y GAS, S.A., and ADVANCED
ENGINEERING DEVELOPMENT LTD.,

Defendants.

06CV15522

MARRERO

Civil Action No.

AFFIDAVIT IN SUPPORT
OF APPLICATION FOR
ORDER OF ATTACHMENT

STATE OF OKLAHOMA)
 : ss.:
COUNTY OF OKLAHOMA)

RAVI RAMDAS, being duly sworn, deposes and says:

1. I am employed by plaintiff, Musket Corporation ("plaintiff" or "Musket"), as Basis Trading Manager. I make this affidavit in support of plaintiff's application for an order of attachment, permitting the attachment of the proceeds of a Letter of Credit drawdown. I am fully familiar with the facts and circumstances stated below.

2. I respectfully refer the Court to the Complaint which Musket has filed in this action, and I hereby incorporate by reference the allegations in the Complaint.

3. As shown in the Complaint, Musket entered into an agreement with defendant Advanced Engineering to buy a cargo of oil from PDVSA, which is the state-owned Venezuelan oil producer (and the owner of Citgo). The contract required Musket to pay the lion's share of the purchase price to defendant PDVSA. As a security device, Musket was obligated to, and did, establish a Standby Letter of Credit ("LOC") with JPMorgan Chase Bank N.A. in favor of


PDVSA, to cover the purchase price. However, that letter of credit, by its terms, was not to be used in the event that payment was made by Musket.

4. Musket has paid in full for the delivery of oil, in accordance with the terms of the agreement with Advanced Engineering. However, we understand that defendant PDVSA has presented a drawdown request on the LOC to JPMorgan Chase in an amount in excess of \$1.5 million above and beyond that which Musket was obligated to pay.

5. We understand that PDVSA has presented the required documents to the bank and that payment has not yet been made but will likely take place on the morning of Friday, December 29, 2006. Therefore, an order of attachment is urgently required, so that the funds of PDVSA will not be disbursed by the bank.

6. We have placed the defendants on notice, in writing, of our objection to any draw-down of the LOC. Neither of the defendants has responded to our notice.

7. There are no known counterclaims.

 28 Dec '06
Ravi Ramdas

Sworn to before me this
28th day of December, 2006


Notary Public

